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## FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 4.19.2010

Wall Street Journal: "SEC Probes Other Soured Deals ... The Securities and Exchange Commission, after having hit Goldman Sachs Group Inc. with a civil fraud charge, is investigating whether other mortgage deals arranged by some of Wall Street's biggest firms may have crossed the line into misleading investors."

Wall Street Journal: "Bank Wages Battle to Save Reputation ... Goldman Sachs Group Inc. is mobilizing for a counterattack against the U.S. government's fraud accusations amid mounting concerns the firm could lose business to Wall Street rivals."

Wall Street Journal: "Firm Contends It Was Blindsided by Lawsuit ... Goldman Sachs Group Inc. officials said they knew as far back as August 2008 that regulators were examining controversial mortgage securities created by the firm but were stunned by the bombshell civil fraud suit lodged against it Friday, with most having learned about it from news reports."

Wall Street Journal: "Obama Jumps In Early on Bank-Rules Overhaul ... President Barack Obama, stung by efforts to drag health care across the finish line, is taking a more hands-on approach to revamping financial regulation at its outset, drafting legislative language, mounting political pressure on Republicans and trying to control the terms of the debate."

Wall Street Journal: "Mortgage Delinquencies Decline Again ... In another encouraging sign for the U.S. housing market, mortgage delinquencies fell in March for the second month in a row, according to new data."

Wall Street Journal: "Delay to Greece Aid Mission Pressures Bonds ... Air-travel disruptions delayed the financial-aid mission to Greece until later in the week, sending Greek stocks, bonds and the euro lower Monday."

Wall Street Journal: "The SEC vs. Goldman ... The Securities and Exchange Commission's complaint against Goldman Sachs is playing in the media as the Rosetta Stone that finally exposes the Wall Street perfidy and double-dealing behind the financial crisis. Our reaction is different: Is that all there is?"

Washington Post: "Geithner says financial overhaul will clear Senate with GOP votes ... Treasury Secretary Timothy F. Geithner said Sunday that efforts to overhaul the financial regulatory system will win bipartisan support in Congress, even as the top Senate Republican continued to attack Democratic proposals."

Washington Post: "Straining the FHA's umbrella ... A District nonprofit organization that says it helps cash-strapped homeowners avoid foreclosure is under federal investigation for instead helping lenders make high-risk loans that leave the government on the hook if they go bad, according to sources familiar with the probe."

Washington Post: "Wall Street says Washington doesn't understand finance. Well, neither does Wall Street. ... That's from a talk Paul Krugman gave at the Levy Institute's 19th annual Hyman Minsky conference. The Economist's Ryan Avent also attended and walked away shaking his head."

Washington Post: "The Supreme Court has a vacancy. The Federal Reserve has three. Anyone notice? ... Federal Reserve Vice Chairman Donald Kohn declared on March 1 that he was planning to retire. Supreme Court Justice John Paul Stevens did the same on April 9. Both are important men doing important jobs for important institutions that exert vast influence over the lives of Americans."

NY Times: "Top Goldman Leaders Said to Have Overseen Mortgage Unit ... Tensions were rising inside Goldman Sachs."

NY Times: "Keep the Fed on Main Street ... LAST week, I visited Santa Fe, N.M., and spoke to one of America's many Main Streets: more than 300 small-business owners, real estate developers, artists, bankers and other citizens."

LA Times: "WaMu failed because of run on bank, former regulatory chief says ... The former head of the chief banking regulatory agency that oversaw failed Washington Mutual told lawmakers Friday that the giant savings and loan collapsed because of a run on the bank, not failures by him or other regulators."

LA Times: "Goldman Sachs case likely to increase calls for Wall Street reform ... Goldman Sachs Group Inc. was once a darling in Washington, handing out millions of dollars in campaign contributions and supplying so many executives for key federal positions -- including two recent Treasury secretaries -- that some people called the firm "Government Sachs.""

LA Times: "Pointless deals line Wall Street pockets, Goldman Sachs suit shows ... There comes a point in every man-made disaster when the guilty parties are identified and brought to book. That way the victims can at least snatch from the wreckage some confidence that lessons have been learned and mistakes recognized."

Washington Times: "Big banks: Too big for Congress to handle? ... Both Republicans and Democrats claim they want to prevent taxpayers from ever again having to bail out Wall Street goliaths in a crisis, but many analysts question whether either parties' reforms would do the job while the surest way to prevent future bailouts - breaking up the "too big to fail" banks - is not an option in Congress."

Washington Times: "McConnell: Start over on bank reform ... The Republican leader in the Senate said Sunday that President Obama is trying to "politicize" financial reform."

Washington Times: "EDITORIAL: Institutionalizing Wall Street bailouts ... Senate Banking Committee Chairman Christopher J. Dodd accuses Republicans of lying when they warn that the banking regulation bill will allow government bailouts of Wall Street. "It's just a Wall Street lie," the Connecticut Democrat said on Wednesday. "This bill ends bailouts."

Bloomberg: "Greeks' Anger Rises; EU, IMF Prepare Talks on Bailout (Update1) ... European Union and International Monetary Fund officials are due to travel to Athens this week to start laying down conditions for a 45 billion-euro (\$61 billion) bailout package as public anger mounts over more austerity measures."

Bloomberg: "'Bailout Fund' Is Point of Contention for Financial Regulation ... Democrats and Republicans disagree over whether President Barack Obama's plan to overhaul U.S. financial regulations assures future bailouts of big banks or guarantees that the government can euthanize such firms."

Politico: "Senate insider Chris Dodd tries to retire as a reformer ... Chris Dodd is the Institutional Man beset by failed

institutions, from Wall Street banks to his beloved Senate."

Politico: "Timothy Geithner bullish on Wall Street bill ... Treasury Secretary Timothy Geithner expressed confidence on Sunday that he can muster enough GOP votes to pass a robust financial regulatory reform bill soon - despite a pledge of united opposition from all 41 Senate Republicans."

Politico: "Banks will accept new consumer agency ... Republican Sen. Richard Shelby recently made Democratic Sen. Chris Dodd a tantalizing offer: He'd drop his opposition to an independent consumer financial protection agency as part of a renewed round of negotiations over sweeping financial reform."

Politico: "Brown will filibuster financial reform ... Sen. Scott Brown (R-Mass.) said Sunday he would filibuster financial regulatory reform legislation in its present form because the "bill is not a good bill, period."

Speaking on CBS's "Face the Nation," Brown charged that President Barack Obama is politicizing the debate - an "unfortunate" happenstance - and people should get into a room and start solving problems.

"As evidenced by what I've tried to do, which is to vote with the Democrats and be the 60th vote or be the 41st vote, Washington is broken, people are hurting and they want us to do better. And we should do better," Brown said."